

HRANT DINK VAKFI

**CONVENIENCE TRANSLATION OF STATUTORY
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2014
TOGETHER WITH AUDITORS' REPORT**

**Convenience Translation of the
Independent Auditors' Report to the Board of Directors of
Hrant Dink Vakfı**

We have audited the accompanying balance sheet of Hrant Dink Vakfı (hereinafter referred to as "the Foundation") as of December 31, 2014 and the statement of income for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting standards specified in note 2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of Hrant Dink Vakfı as of December 31, 2014 and its financial performance for the year then ended in accordance with the accounting standards specified in note 2.

Other Matters

In the appendix of Foundations General Chart of Account published by T.R. Prime Ministry General Directorate of Foundations in the Official Gazette dated September 27, 2008 and numbered 27010, there is only balance sheet and statement of income and there is no statement of changes in equity and statement of cash flows. Because of the fact, statement of changes in equity and statement of cash flows have not been presented in the accompanying financial statements.

Additional Paragraph for Convenience Translation into English

As discussed in note 2 to the accompanying unconsolidated financial statements, the effect of differences between the accounting principles as set out by the related insurance laws and accounting principles generally accepted in countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards ('IFRS') have not been quantified in the accompanying financial statements. Accordingly, the accompanying unconsolidated financial statements are not intended to present the financial position and results of operations and changes in financial position and cash flows in accordance with accounting principles generally accepted in such countries and IFRS.

Istanbul, February 27, 2015

DENGE BAĞIMSIZ DENETİM SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of MAZARS



Aylin Beydemir
CPA (Turkey)

HRANT DİNK VAKFI
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2014
(DETAILED BALANCE SHEET - STATEMENTS OF FINANCIAL POSITION)
(All amounts expressed in Turkish Lira ("TRY"), unless otherwise indicated)

	Note	December 31, 2014	December 31, 2013
ASSETS			
I. CURRENT ASSETS			
CASH AND CASH EQUIVALENTS		1.847.496	495.505
- Cash		5.775	4.236
- Banks	6	1.841.721	491.269
OTHER RECEIVABLES		135.887	102.053
- Receivables from commercial enterprise	7	135.887	102.053
OTHER CURRENT ASSETS		8.163	15.737
- Advances given	8	4.863	15.737
- Job advances	8	3.300	-
SHORT-TERM DEFERRED INCOME AND ACCRUED EXPENSES		315	712
- Short-term prepaid expenses		315	712
Total Current Assets		1.991.861	614.007
II. NON-CURRENT ASSETS			
OTHER RECEIVABLES		162	162
- Deposits and guarantees given		162	162
FINANCIAL FIXED ASSETS		5.000	5.000
- Commercial enterprises		5.000	5.000
TANGIBLE ASSETS		624.977	12.562
- Furniture and fixture	10	52.127	26.668
- Leasehold improvements	10	618.773	-
- Accumulated depreciation (-)	10	(45.923)	(14.106)
INTANGIBLE ASSETS		-	-
- Rights	11	1.120	1.120
- Accumulated amortization (-)	11	(1.120)	(1.120)
Total Non-Current Assets		630.139	17.724
TOTAL ASSETS		2.662.000	631.731

HRANT DİNK VAKFI
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2014
(DETAILED BALANCE SHEET - STATEMENTS OF FINANCIAL POSITION)
(All amounts expressed in Turkish Lira ("TRY"), unless otherwise indicated)

	Note	December 31, 2014	December 31, 2013
LIABILITY			
I. SHORT TERM LIABILITIES			
BORROWINGS		-	2.678
- Bank loans	13	-	2.678
PAYABLES FROM OPERATIONS		111.262	92.196
- Payables	14	111.262	92.196
OTHER FINANCIAL LIABILITIES		-	2.166
- Other payables		-	2.166
TAXES AND OTHER LIABILITIES		21.614	22.035
- Taxes and funds payable	15	11.617	16.342
- Social security premiums payables	15	9.997	5.693
SHORT-TERM DEFERRED INCOME AND ACCRUED EXPENSES		726	703
- Short-term deferred income and accrued expenses		726	703
Short Term Liabilities		133.602	119.778
SHAREHOLDERS' EQUITY			
NET CAPITAL		100.000	100.000
- Paid in capital	12	100.000	100.000
RETAINED EARNINGS	12	780.195	780.195
RETAINED LOSSES (-)	12	(368.242)	(329.997)
PERIOD NET INCOME OR LOSS (-)		1.976.445	(38.245)
- Period net income	12	1.976.445	-
- Period net loss (-)		-	(38.245)
Total Shareholders' Equity		2.488.398	511.953
TOTAL LIABILITIES		2.622.000	631.731

HRANT DİNK VAKFI
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2014
(DETAILED STATEMENTS OF INCOME)
(All amounts expressed in Turkish Lira ("TRY"), unless otherwise indicated)

	Note	1 January – 31 December 2014	1 January – 31 December 2013
A- GROSS SALES		3.806.387	859.081
- Donations and charities	20	3.806.387	859.081
B- SALES DISCOUNTS (-)		-	-
- Other discounts (-)		-	-
NET SALES		3.806.387	859.081
C- COST OF SALES (-)		(311.376)	(240.940)
- Cost of services rendered (-)	21	(311.376)	(240.940)
PROFIT FROM GROSS SALES		3.495.011	618.141
D- OPERATING EXPENSES (-)		(1.501.701)	(697.829)
- Goal directed expenses (-)	22	(1.501.701)	(697.829)
E- INCOME AND PROFIT FROM OTHER OPERATIONS		82.735	43.090
- Interest income	23	34.419	24.896
- Foreign currency gain	23	48.289	18.194
- Prior period's income and profits		27	-
F- EXPENSES AND LOSSES FROM OTHER OPERATIONS (-)		(97.482)	(573)
- Foreign currency losses (-)		(97.482)	(573)
G- FINANCE EXPENSES (-)		(2.118)	(1.074)
- Finance expenses (Short Term) (-)		(2.118)	(1.074)
OPERATING PROFIT/(LOSS)		1.976.445	(38.245)
NET PERIOD INCOME/(LOSS)		1.976.445	(38.245)